

Economic Opportunity Index

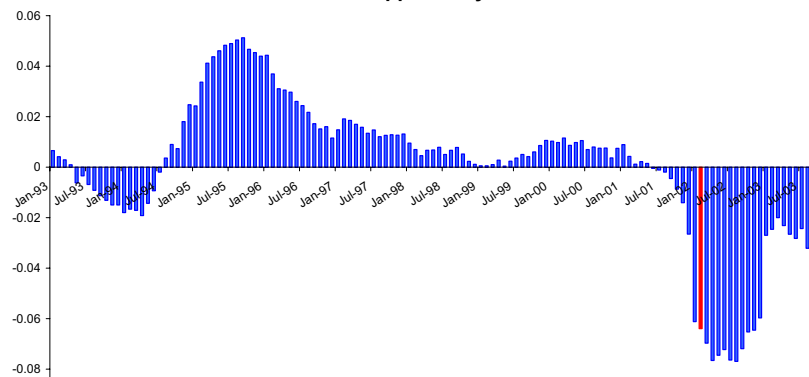
The Economic Opportunity Index is a comparison of labor force growth and job creation in Utah. Currently, the labor force continues to grow and exceed Utah's job growth rate.

The Economic Opportunity Index is greater than zero when job growth exceeds growth in the labor force. The index is calculated by subtracting the year-over growth rate in the labor force from the year-over growth rate in jobs.

"Utah's economic future is dependent upon its quality growth. The best employers demand it, and Utahns deserve it."

- Governor Michael O. Leavitt
Honorary Co-Chair, Envision Utah

Economic Opportunity Index

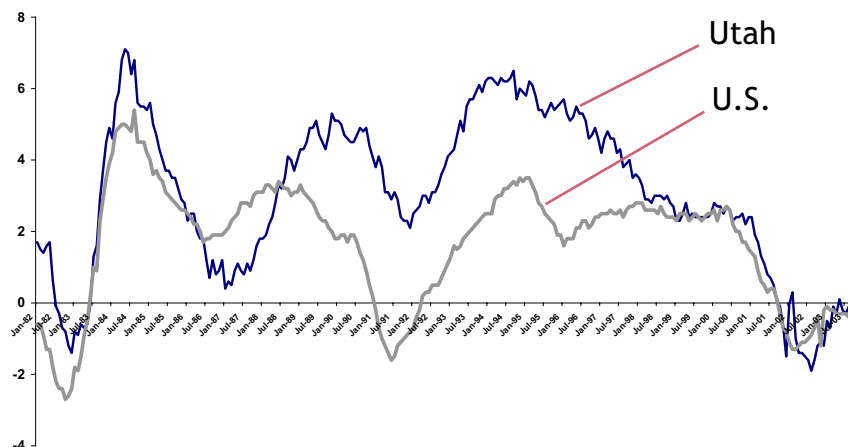


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Year-Over Job Growth

The Year-Over Job Growth table illustrates Utah's job growth rate compared to the national job growth rate from the previous year to the current year. Although jobs are being created, the trend indicates that Utah is still experiencing the effects of a recession. There is still a current deficit of jobs.

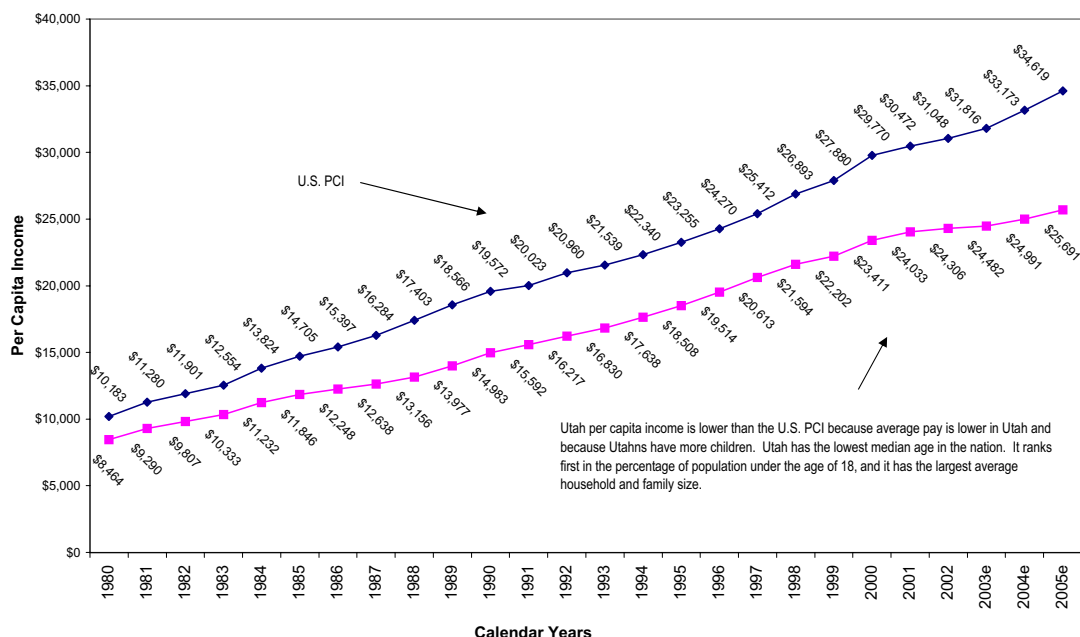
Year-Over Job Growth: Utah vs. U.S.



Per Capita Income: Utah & U.S.

The Utah per capita income is consistently lower than the U.S. average because the average pay is lower in Utah and because Utahns have the largest average household and family size. Compounding this problem, the gap between the Utah and U.S. rate has continued to widen.

Per Capita Income: Utah and the U.S.



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Household Income: Utah & U.S.

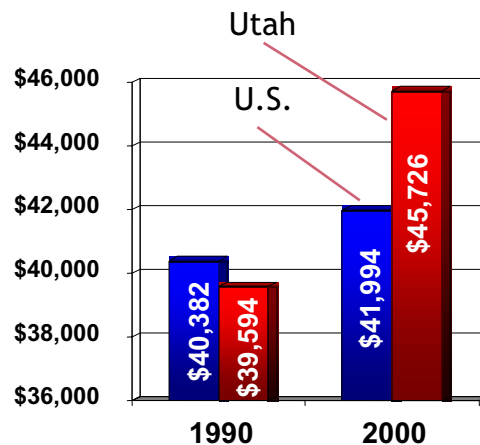
Utah's rapid economic growth throughout the 1990s, as well as our increase in educational attainment, resulted in higher household incomes and fewer Utahns living in poverty.

Utah's median household income was the fourth fastest growing among states from 1990 to 2000.

In 2000, Utah's median household income was 9% higher than the U.S. median.

There were fewer Utah families and fewer single mothers in the state living in poverty in 2000 than in 1990.

Median Household Income



Source: U.S. Census Bureau

Smart Sites Initiative

One of the goals set-forth by Governor Leavitt was to provide family-sustaining, technology-based jobs for rural Utahns. The "Smart Sites" program is intended to assist with this.

A Utah Smart Site is a facility with high speed internet bandwidth where a company employs trained rural workers to perform computer, telecommunications or data entry services for remote clients. Examples of services include help desk support, website design, computer programming, data entry, digital mapping, database development and software testing.

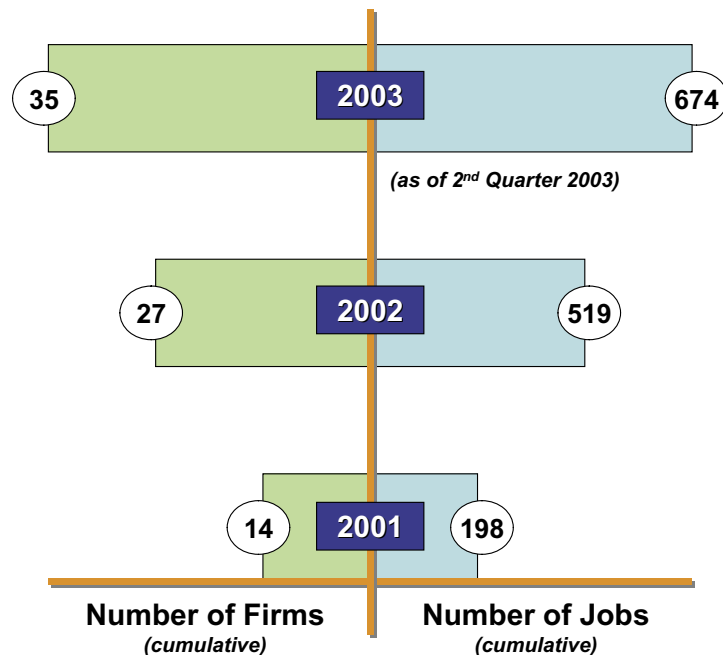
The Smart Site program recently received national recognition when the U.S. Department of Commerce honored it with their "2003 Innovation Excellence in Economic Development Award".



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"In the information age, talent is king. No longer is a region's success defined by proximity to a seaport, rail station, gold mine or big city. Instead, a region's greatest economic asset is a livable community with free-flowing traffic, clean air and water, attractive natural landscapes, and fabulous places to recreate. The most prosperous economies will be those that retain or attract people with talent. And people with talent can live anywhere they want. They will choose places with life quality."

- Governor Michael O. Leavitt
1000-Day Plan, Strategy #3



Development of the Economic Ecosystem Concept

The Utah Economic Ecosystem concept was developed as a response to the fundamental question - *how does the State compete in the information economy?*

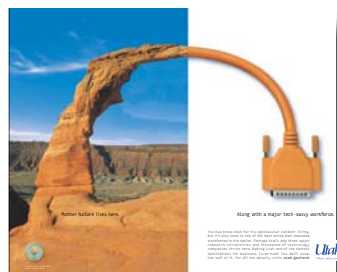
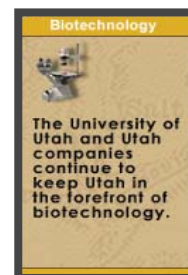
Research in regional competition proposes a metaphor for explaining how regions evolve and compete in the information economy. This is the metaphor of an “economic ecosystem”. Just as a biological ecosystem consists of symbiotic relationships among living organisms that grow and evolve over time, economic ecosystems are formed when a core group of technologies are nourished by essential nutrients that foster technological advancement and economic opportunities. Economic ecosystems consist of a network of economic institutions that co-evolve to create a thriving community of information economy firms.

Enhancing Utah’s Economic Ecosystem

Utah is known for the more traditional elements of economic development (i.e. talented, educated workforce, and research universities), but some of the other elements of a productive economic ecosystem include:

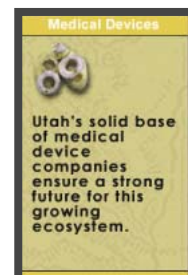
- **The availability of venture capital.** *The 2003 Legislature enacted House Bill 240 Venture Capital Enhancement Act to promote the formation of venture capital in Utah. HB 240 authorizes the use of tax credits on a contingent basis as an inducement to create a \$100 million “fund of funds” in Utah.*
- **Infrastructure to facilitate business environment.** *The Utah Technology Alliance, led by Governor Mike Leavitt, acts as a bridge between the high tech business community and Utah state government. The Alliance focuses on the infrastructure needs of the high tech community.*
- **Conducive physical environment and culture.** *The Utah Technology Alliance has developed citizen-led Task Groups to implement specific tactics to overcome inhibitors of economic growth.*
- **Perceived image as a technology center.** *The Department of Community and Economic Development is developing Utah’s brand to attract capital, anchor companies, and experienced management for Utah technology companies.*

While all of these elements must exist in order to foster a healthy economic ecosystem, it is the synergistic interaction among these elements that determines the vitality and success of the region.



On November 1st, 2003, Governor Leavitt signed an executive order creating an Outdoor Recreation Economic Ecosystem Task Force, and directed the State Planning Coordinator to assist the group.

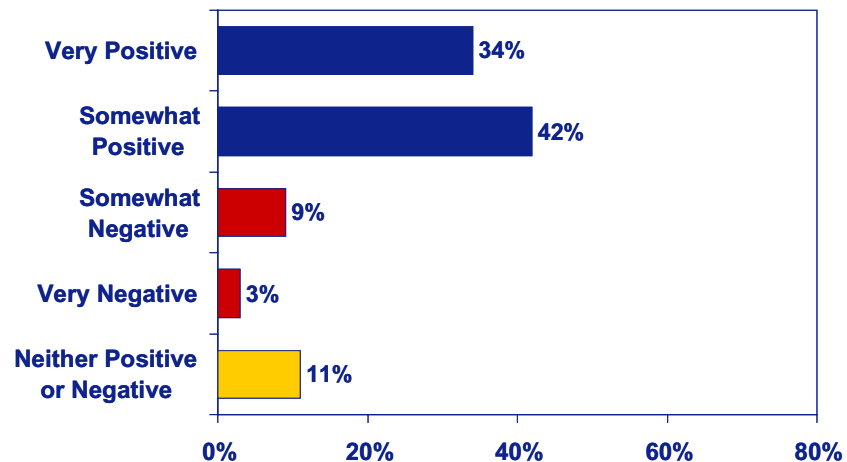
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Public Opinion of I-15 Reconstruction

In May, 2003, Envision Utah contracted the Wirthlin Worldwide Consulting Group to conduct a random telephone survey of Wasatch Front residents regarding their opinions about community growth issues.

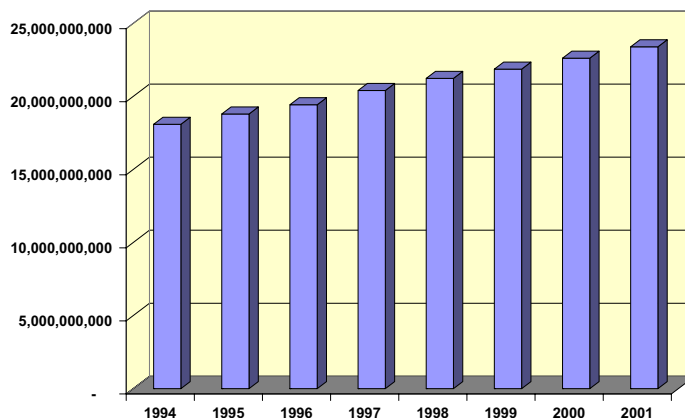
One of the questions was *“What is your impression of Interstate-15 SINCE it has been recently redeveloped in the Salt Lake County area?”*



- “Enduring American and Utah Values Which Transcend Good and Bad Times”, prepared for Envision Utah, May 2003.

Increasing Pressure on the Highway System

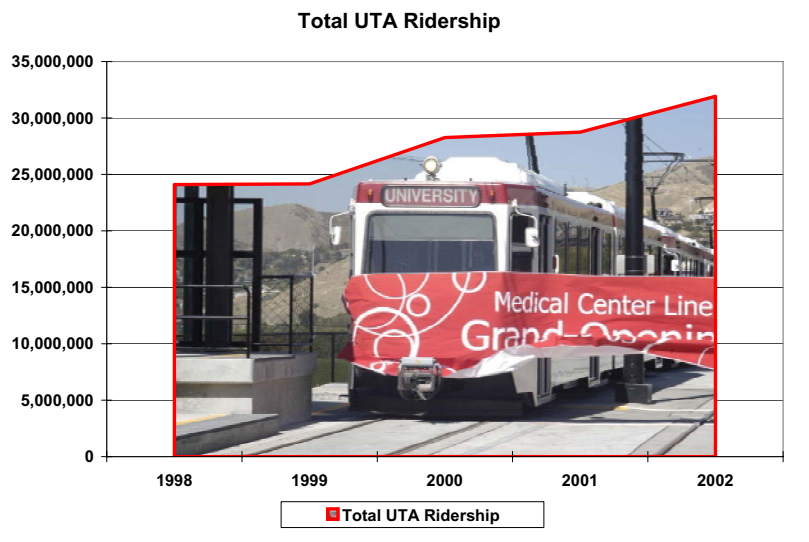
At the end of 2001, Utah’s highway mileage statewide was just over 42,206 miles. Utah’s roadways have experienced an increasing demand as population increases, trip lengths increase, and the number of trips increase.



Vehicle Miles Traveled (VMT), by definition, represents the annual travel on a section of roadway as determined from average daily traffic counts (ADT) multiplied by the length of the road section.

Transit Service & Expansion

The Utah Transit Authority (UTA) Medical Center Line officially opened on September 29, 2003. This is UTA's third light rail project to open ahead of schedule and under budget. The Medical Center Line brings the total number miles served by Light Rail to **19**. UTA's ridership has grown consistently since 1998.



The demand for transit capital projects is increasing along the Wasatch Front, but the contest for funding projects at the federal level is becoming increasingly competitive. The viability of UTA's project proposals are directly related to the operating efficiencies and ridership that will be accommodated and generated by it.

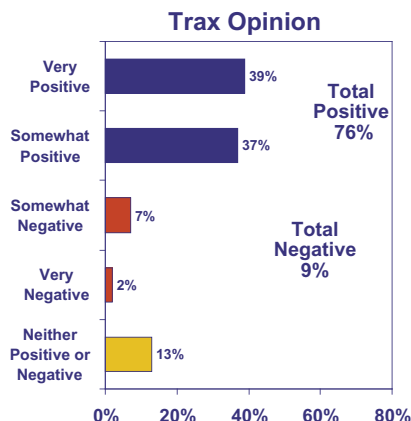
- John English, General Manager, UTA
September 2003

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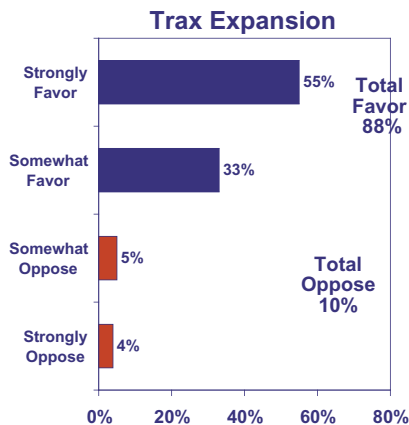
Public Opinion of Transit Service & Expansion

In May, 2003, Envision Utah contracted the Wirthlin Worldwide Consulting Group to conduct a random telephone survey of Wasatch Front residents regarding their opinions about community growth issues.

*What is your **impression of public transportation** SINCE the development of light rail, often referred to as Trax, in Salt Lake County?*



*Do you favor or oppose the **expansion** of light rail, often referred to as Trax, and other public transportation systems?*



- "Enduring American and Utah Values Which Transcend Good and Bad Times", prepared for Envision Utah, May 2003.

Collaborative Planning – Wasatch Front Regional Council

Wasatch Front Regional Council (WFRC) has had a Regional Growth Committee for several years. Historically, the Committee was chaired by an elected official, but its membership was primarily planners. The monthly meetings served as a forum for planners to coordinate their activities and share “best practices.”

In September 2003, the Regional Council reorganized its committee structure and elevated the regional growth committee to a full “Committee of the Council” made up of elected officials, with the planners now serving on technical committees to advise. The new growth committee has been assigned several important tasks. They include:

- developing regional growth principles,
- promoting quality growth in the region,
- looking at the nexus between transportation planning, (WFRC’s traditional mission), and land use planning, which is the mission of local governments, and
- developing the Long Range Transportation Plan for the Wasatch Front¹.

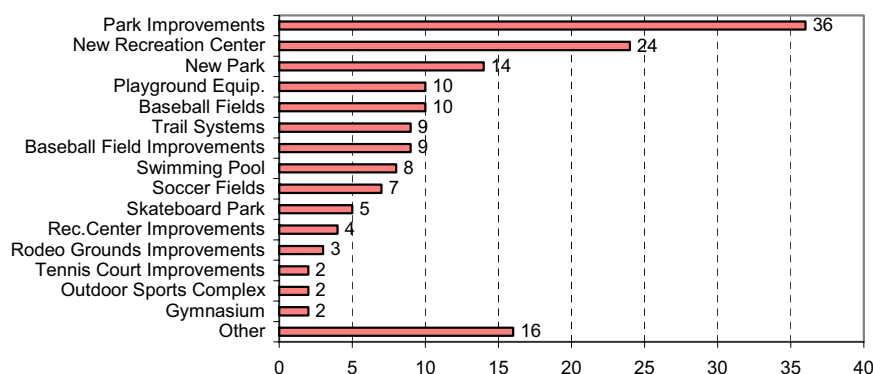
This reorganization should result in a greater awareness of the link between transportation planning and land uses, leading to better planned communities.

¹ The Transportation Committee, “Transcom”, is still responsible for the shorter range plans which allocate transportation funding.

Increasing Demand on Recreation Facilities

In 2002, the Division of Parks & Recreation conducted a public survey as part of their State Comprehensive Outdoor Recreation Plan (SCORP). On a regional basis, the need for park improvements was significantly higher in rural areas. Recreation centers were the top priority item demanded in urban areas. This was closely followed by park improvements and trail systems.

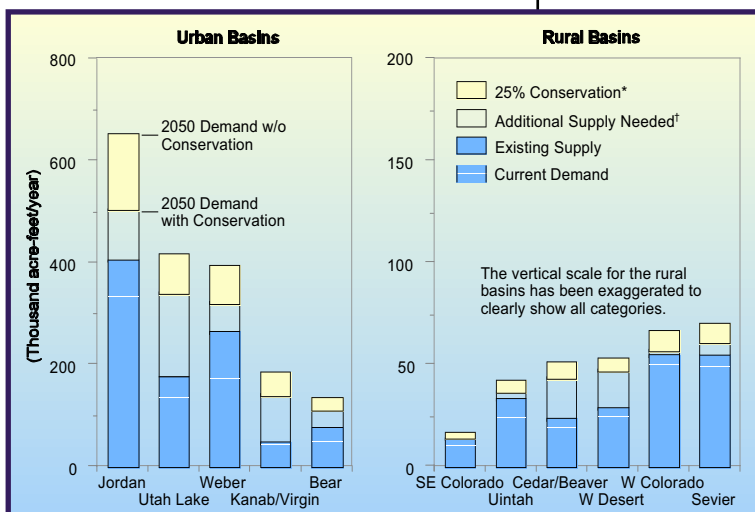
Top Priority Needs (Overall)



Water Conservation

The State Water Plan indicates that in most areas, water will not be a limiting factor of population growth. However, this does not mean that each community presently has ample water for its needs or the system capacity to deliver it. Rather, it means that in most places water could be made available if the necessary water transfers, agreements and infrastructure were in place.

The figure below illustrates the important role that 25 percent conservation can play in reducing municipal and infrastructure (M&I) water demands throughout Utah by the year 2050. For example, without water conservation, it is estimated that the Jordan River Basin would experience an increase above current demand of about 320,000 acre-feet per year by 2050. With conservation, this increase is cut nearly in half.



Source: Dept. of Natural Resources, Division of Water Resources

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Alternative Energy Sources

Utah Power residents and businesses can purchase new pollution-free wind power through the Blue Sky program. Blue Sky helps encourage more wind energy development, reduces our reliance on fossil fuels and preserves resources for future generations.

With Blue Sky, customers purchase clean, renewable wind energy in 100 kilowatt-hour (kwh) increments, called blocks, for just \$1.95 per block per month. Each 100 kwh block represents about 14 percent of the average customer's monthly electricity usage.

Advantages:

- Preserves our environment
- Conserves resources for the future
- Improves air quality
- Encourages more renewable power development

Already, more than 6,100 Utah Power customers have signed-up to purchase electricity generated from clean, renewable wind resources.



"Our interviews suggest that the greatest barrier to different (denser) housing types is not a lack of interest by developers and builders, but constraints of local policy. Many municipalities restrict housing types that the market would otherwise provide; many areas of the region have permitted only low-density units in the last two years."

Greater Housing Analysis
ECONorthwest for
Envision Utah
September 1999, p.xi

"The expected growth in income does not necessarily mean households will purchase more large-lot dwellings. The expectation nationally is that the money will go into larger single-family and multi-family units with more amenities but on smaller lots."

Greater Housing Analysis
ECONorthwest for
Envision Utah
September 1999, p.xii

Utah's Housing Situation

The increase in housing prices in Utah led the nation between 1992 and 1997. Over this period housing prices in Utah increased by nearly 70%. The acceleration in housing prices in Utah was unprecedented and seriously threatened the dream of homeownership for thousands of Utah families.

The Legislative Response

House Bill 295: *"Providing Affordable Housing"*, was the Legislative response to a growing concern over rapidly rising housing prices. This legislation, which was passed in 1996, states "municipalities should afford a reasonable opportunity for a variety of housing, including moderate income housing." The implementation mechanism of this Bill was to require cities and counties to draft and put into practice plans for encouraging affordable housing in their communities.

The Department of Community and Economic Development conducts an annual survey of cities and counties on their progress in their housing planning. The 2003 survey found:

City Housing Plans

- 138 completed, adopted
- 49 completed, not adopted
- 28 in development
- 21 done nothing

County Housing Plans

- 16 completed, adopted
- 3 completed, not adopted
- 6 in development
- 4 done nothing

Impact of Housing Legislation

A study on the effectiveness of HB 295 was recently conducted by the University of Utah's Bureau of Economic & Business Research. They constructed a study area that included 52 cities with population greater than 5,000 residents.

They found that approximately 40% of all households in the study area had incomes that fell below 80% of the median income. Therefore, according to HB295, approximately 40% of all new housing units should have been constructed to meet the housing needs of low- to moderate-income households.

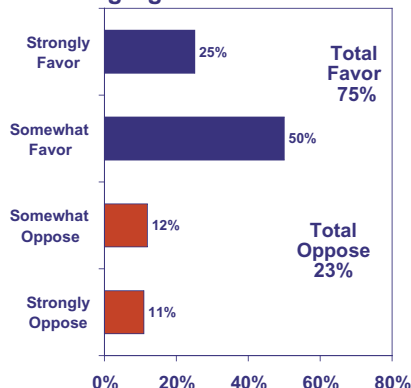
However, only 24% of the nearly 76,000 new housing units built in the study cities since 1997 were affordable. The vast majority of these new units (non-affordable and affordable) were single-family homes — 55,093, but only 9% or 4,967 of these single-family homes were affordable. Furthermore, it was found that in absolute terms, the amount of new affordable housing was heavily concentrated in just a few cities.

Public Opinion of Housing

In May, 2003, Envision Utah contracted the Wirthlin Worldwide Consulting Group to conduct a random telephone survey of Wasatch Front residents regarding their opinions about community growth issues.

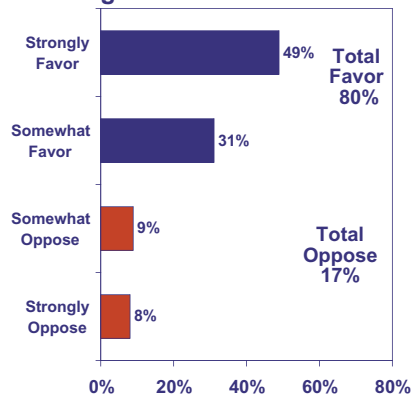
*Do you favor or oppose building a **variety of housing options** such as town homes, condos and apartments in your community to accommodate the increased number of young and older Utahns?*

Housing Age Accommodations



*Do you favor or oppose that **each community, including yours, should have housing options** that accommodate income levels for police officers, school teachers, nurses, and fire-fighters?*

Housing Income Accommodations



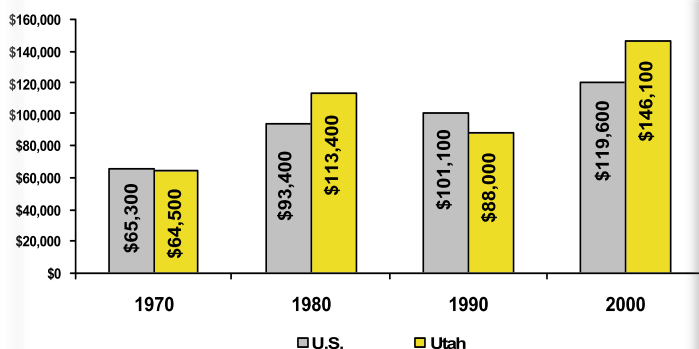
- "Enduring American and Utah Values Which Transcend Good and Bad Times", prepared for Envision Utah, May 2003.

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Median Home Values

In Utah, the median value of a home grew at an average annual rate of 2.8% since 1970. Utah's 2000 median home value was \$26,500 higher than the median value for the nation.

Median Home Values in the U.S. & Utah: 1970 to 2000
(In constant 2000 dollars)



Note: The following CPI-U-RS factors were used for the respective years:
1970--3.8412, 1980--1.9795, 1990--1.2776.
Source: U.S. Census Bureau

Utah, the State of Quality Growth

Selected Indicators - Critical Lands Conservation

LeRay McAllister Fund

The Utah Quality Growth Commission administers the LeRay McAllister Critical Land Conservation Fund, which was established by the Legislature through the Quality Growth Act of 1999. The Quality Growth

Commission has set "defining principles" to ensure that public funds are used for projects that truly offer public benefits. Since 1999, the Commission has helped to conserve or restore over **33,509** acres of critical land throughout Utah. Grants have been approved in **13** counties. The approved grants total **\$8,479,236** in State funds, and have been matched with **\$38,789,958** of other funds — a leverage of greater than **one-to-five**.

CRITICAL LANDS PRESERVED

by STATE AGENCIES

in the last ~5years

Acres Preserved	LeRay McAllister Fund 33,509
Equivalent in size to:	Sandy & Draper Cities (33,664 acres)
Acres Preserved	Forestry, Fire & State Lands* 25,193
Area larger than:	Antelope Island State Park (28,022 acres)
Acres Preserved	Dept. of Transportation 2,230
Equivalent in size to:	Woods Cross City (2,304 acres)
Acres Preserved	Dept. of Agriculture & Food 29
Equivalent in size to:	Utah's Hogle Zoo (42 acres)
Acres Preserved	Div. of Parks & Recreation 475
Equivalent in size to:	Brian Head Ski Resort (540 acres)
Acres Preserved	Div. of Wildlife Resources 7,534
Equivalent in size to:	Hill Air Force Base (6,698 acres)
TOTAL ACRES	68,971
Equivalent in size to:	Bear Lake State Park (71,680 acres)

* projects that did **not** include the McAllister Fund

State Land Conservation Efforts

In addition to the Quality Growth Commission, other state agencies have a charge to preserve critical lands. Some of these have done projects that used matching funds from the LeRay McAllister Fund. Other projects have been done using other funds entirely. The Division of Forestry, Fire, and State Lands administers the Forest Legacy Program, which uses federal funds to preserve private forestlands. The Division of Wildlife Resources preserves habitat and the Department of Agriculture & Food preserves prime farmland. The Utah Department of Transportation also preserves wetlands mitigation sites. Together, state agencies and the McAllister Fund have preserved **69,971 acres**.

Non-Profit Conservation Groups

Several non-profit preservation groups are working within Utah to preserve critical lands, such as the Nature Conservancy, Utah Open Lands, Grafton Heritage Partnership Project, Rocky Mountain Elk Foundation, and the Trust for Public Land have preserved approximately **31,000** acres of sensitive lands in Utah over the last few years.

Forest Legacy Program

The Division of Forestry, Fire, and State Lands administers the Forest Legacy Program. Through the 1996 Farm Bill, this program works to identify and protect environmentally important private forest lands that are threatened by present and future conversion to non-forest uses. The program is also intended to ensure that both the traditional uses of private lands and the public values of America's forest resources are protected for future generations.

The program uses local resources (i.e. LeRay McAllister Fund or landowner donation) to leverage federal funding which provides 75% of total needed for the establishment of conservation easements. Through the use of these easements, private landowners are able to continue to own and work their land, preserve the economic value, and protect forest lands from conversion to non-forest uses.

To date, **40,484 acres** of Utah's forested lands have been preserved through the Forest Legacy Program and LeRay McAllister Fund.

FOREST LEGACY PROGRAM funds appropriated to Utah

1998
\$171,000

1999
\$1,220,000

2000
\$1,800,000

2001
\$4,200,000

2002
\$2,300,000

2003
\$3,600,000

2004
\$4,250,000

Farm & Ranch Lands Protection Program

The Farm and Ranch Land Protection Program (FRPP) provides matching funds to help purchase development rights to keep productive farm and rangeland in agricultural uses. Working through existing programs, USDA partners with State, Tribal, or local governments and non-governmental organizations to acquire conservation easements or other interests in land from landowners. USDA provides up to 50 percent of the fair market easement value.

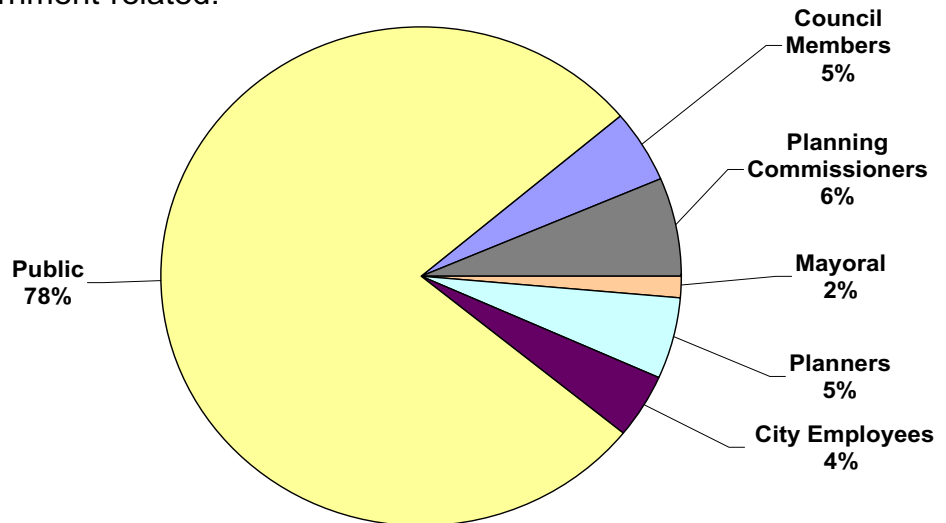
To qualify, farmland must: be part of a pending offer from a State, Tribe, or local farmland protection program; be privately owned; have a conservation plan for highly erodible land; be large enough to sustain agricultural production; be accessible to markets for what the land produces; have adequate infrastructure and agricultural support services; and have surrounding parcels of land that can support long-term agricultural production.

For federal fiscal year 2003, over \$67 million was appropriated to the program. The funds are allocated to states based on needs and programs. Utah was allocated \$920,700. This was down from over \$1 million in 2002, partly due to the fact that Utah only used \$50,000 of the 2002 allocation. Yet in 2003, applications for FRPP funds were up, exceeding \$4 million in need. Since all FRPP grants must be matched by 50% of which on more than 25% can be landowner donation, the State would need to provide at least \$1 million to meet the need.

The lack of local matching funds is often the greatest hindrance to obtaining federal funds from programs such as the Farm Security and Rural Investment Act of 2002 ("Farm Bill"), and the Forest Legacy Program.

Participation in Envision Utah Training & Workshops

Public interest in planning is significant. On average, only 20% of the people that participate in Envision Utah's training and workshops are government-related.



Participation in Envision Utah Training & Workshops

"I would encourage elected officials to understand the planning process; it will make their jobs easier. Planning seminars are a really good way to get up to speed in an atmosphere that is really enjoyable."

Judy Carmichael
Grand County
Council Member

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Utah Local Governments Trust Training & Workshops

The Certified Citizen Planner Seminar is produced by the Utah Local Governments Trust in cooperation with the Center for Public Policy and Administration at the University of Utah. The seminar is supported by the Governors Office of Planning and Budget, the American Planning Association - Utah Chapter and the regional Association of Governments.

This workshop is intended to train elected officials and Utah residents on planning topics, and is available to all governmental entities in the State of Utah.

Since 1996, the workshops have trained **1,500** participants.



Rural Planning - Utah Rural Development Council

The Utah Rural Development Council exists to maintain and improve the quality of the life in rural Utah. The Council assists rural communities to achieve their locally determined objectives, and is a very important communication link to build and strengthen working, collaborative relationships among private, local, state, tribal, and federal agencies. The council serves as a proactive catalyst, working to remove barriers detrimental to rural development and to solve problems impeding development in rural Utah.

Current URDC programs include an annual rural summit, youth development, public land disputes, telecommunications and information technology, rural heritage industries, support of rural arts, rural health care, and value-added agriculture.

Project Profile:

Heritage Industry Development —

The Heritage Highway project is an effort to enhance Utah's heritage products, crafts, artisans, shops, and related amenities, particularly in rural areas. By working with private individuals and businesses along the highway, the Council seeks to promote heritage tourism and economic growth in Utah's unique rural communities.

Utah Center for Rural Life

The Utah Center for Rural Life is designed to engage rural people in evaluating and promoting rural development activities in the areas of community and economic development, education, health care, cultural arts, and planning.

The Utah Center for Rural Life provides many tools and programs within the context of collaboration, communication and education. Some of the more important offerings include:



- ❖ Utah Rural Summit
 - ❖ Rural Issues Forum
 - ❖ Rural Electronic Network
 - ❖ Rural Technology Support Network
 - ❖ Economic Development Training & Certification
 - ❖ "State of Rural Utah" Message to the Legislature
 - ❖ Rural Young Entrepreneur Search
 - ❖ Utah Rural Life Newsletter
- ❖ Rural Resource Library
- ❖ Rural Awards Gala

*[referring to the recent
Envision Utah survey]
“Growth planning: Poll
finds most haven’t heard
of it, but share its goals”
Joe Baird
Salt Lake Tribune
May 16, 2003*

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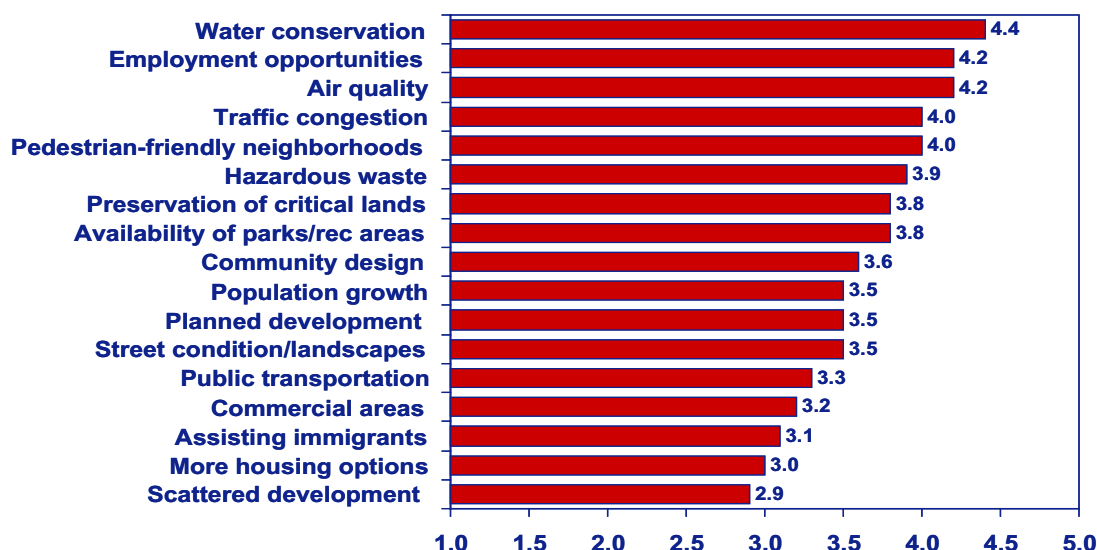
Wirthlin Worldwide - Public Opinion Survey

In May 2003, Envision Utah contracted the Wirthlin Worldwide Consulting Group to conduct a random telephone survey of Wasatch Front residents regarding their opinions about community-related issues.

One of the questions was, “*please select the two most important issues that impact you, telling me which one is the most important to you, and which one is the second most important to you.*”

1 st Most Important	2 nd Most Important
41% Education	22% Crime
21% Employment opportunities	22% Education
17% Crime	14% Employment opportunities
6% Highways, roads, etc.	10% Highways, roads, etc.
6% Air quality	8% Growth
4% Growth	7% Air quality
2% Social services	6% Availability of housing
2% Availability of housing	6% Public transportation
1% Public transportation	5% Social services

The issues below illustrate those growth-related issues that were found to be the most important. Responses were ranked from “1” for not important, to “5” for extremely important.



- “Enduring American and Utah Values Which Transcend Good and Bad Times”, prepared for Envision Utah, May 2003.